MULTIMEDIA UNIVERSITY

STUDENT ID NO

MULTIMEDIA UNIVERSITY

FINAL EXAMINATION

TRIMESTER 1, 2019/2020

TER3161 – ENTERPRISE RESOURCE PLANNING

(All sections / Groups)

22 OCTOBER 2019
9.00 a.m. – 11.00 a.m.
(2 Hours)

INSTRUCTIONS TO STUDENTS

1. This examination paper consists of 4 pages including cover page.
2. Answer **ALL FIVE** questions.
3. All questions carry equal marks and the distribution of the marks for each question is given.
4. Write all your answers in the Answer Booklet.

Attempt ALL questions.

QUESTION 1 [10 marks]

Tumi Inc. is a luggage and travel products company, which runs several legacy systems that were written "in-house". Different systems cover different processes such as taking an order, running the warehouse, and completing financial statements. None of the systems are linked.

a) Give examples of issues related to the legacy systems in Tumi Inc. [3 marks]

b) Tumi Inc. decided to make information technology a business driver. Explain how the company can organise the staff in terms of business processes. [3 marks]

c) Give **FOUR (4)** examples of business functions for Tumi Inc.'s Sales and Production functional areas of operations (FAO) *(Note: 4 examples for each FAO).* [4 marks]

QUESTION 2 [10 marks]

Like most businesses, Tumi Inc.'s Marketing and Sales Department is the focal point of the company. It is responsible to guide the company's key strategies and tactics. Therefore, an Enterprise Resource Planning (ERP) system can ensure that data are entered only once, where they are most likely to be accurate.

a) Assume that Tumi Inc. employs less than 1000 employees to run its business. Give an estimation of the total implementation cost of an ERP system for a company like Tumi Inc. Give reasons to support your estimation. [3 marks]

b) Figure 1 shows a transaction status for The Bike Zone, a business partner of Tumi Inc. Explain the electronic audit trail. [2 marks]

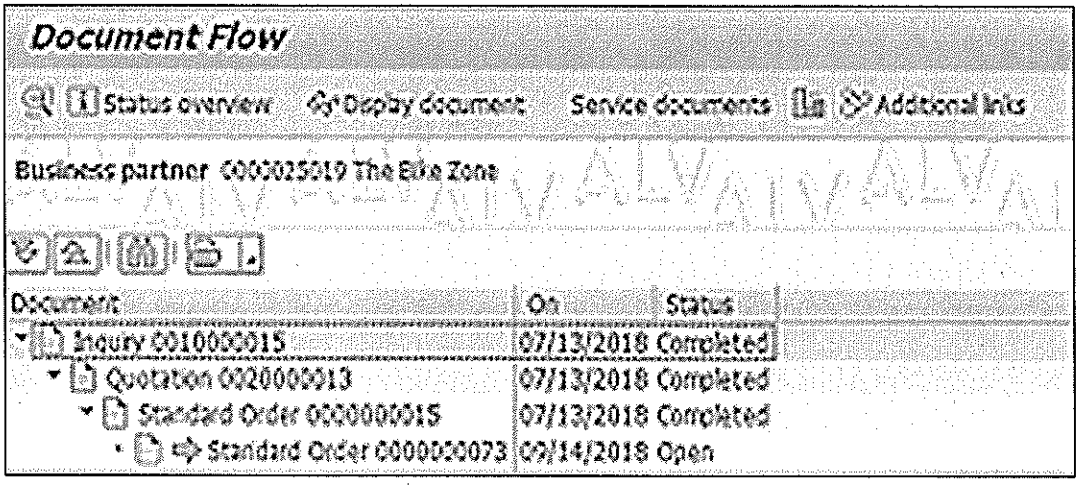

Figure 1

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c) Describe **FIVE (5)** importances of an electronic audit trail as in question 2 (b). [5 marks]

QUESTION 3 [10 marks]

a) Table 1 shows the Sales and Operations Plan for Tumi Inc. from July to October 2019. Summarise the company's utilization capacity to meet the production plan for each month. [3 marks]

Table 1

	July	August	September	October
Sales Forecast	6903	6517	6401	6187
Production Plan	7000	6214	6401	6800
Inventory	303	0	0	612
Working days	22	18	20	23
Capacity (shipping cases)	7333	6000	6667	7667

b) Unfortunately, the Customer Service Department of Tumi Inc. received many complaints on inconsistent information and shipping delays of customer sales orders. Describe how an ERP system may help in minimising these problems. [4 marks]

c) Give the phases of ERP implementation life cycle. Indicate the importance of the final phase in the cycle. [3 marks]

QUESTION 4 [10 marks]

a) Suppose you are the manager of Tumi Inc.'s Human Resources Department. Give examples of **FOUR (4)** human resources information you think you would need to effectively manage the Accounting and Finance employees of the company. [2 marks]

b) The lower cost to implement ERP software provided through SaaS means that companies can explore whether a particular software package will work for them without a large, up-front expense. However, there are some potential downsides to using SaaS. Describe **THREE (3)** potential downsides to using SaaS to provide ERP software. [6 marks]

c) You are required to evaluate the value of the Human Resources Department business processes. Your findings revealed that the business processes of the department need to be improved. Give **FOUR (4)** concepts that can be used to improve the processes. [2 marks]

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QUESTION 5 [10 marks]

a) Inaccurate accounting data resulting from an unintegrated information system can cause problems when a company is making operational decisions. Explain **TWO (2)** main reasons for inaccurate and incomplete accounting data. [2 marks]

b) Human Resources Department must make sure that employees are performing well by evaluating employees' performance. Without an effective information system, it is difficult to manage performance evaluation data. Provide **THREE (3)** possible challenges. [3 marks]

c) The fourth phase, Final Preparation in the ERP Implementation Roadmap, is critical to the success of the implementation project. Identify the tasks in this phase. [5 marks]

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